



Registration of a Charge

Company Name: **ODFJELL DRILLING SHETLAND LTD**

Company Number: **SC368991**



Received for filing in Electronic Format on the: **14/06/2023**

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Details of Charge

Date of creation: **01/06/2023**

Charge code: **SC36 8991 0014**

Persons entitled: **NORDIC TRUSTEE AS (AS SECURITY AGENT ON BEHALF OF THE SECURED PARTIES)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CMS CAMERON MCKENNA NABARRO OLSWANG LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 368991

Charge code: SC36 8991 0014

The Registrar of Companies for Scotland hereby certifies that a charge dated 1st June 2023 and created by ODFJELL DRILLING SHETLAND LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th June 2023 .

Given at Companies House, Edinburgh on 15th June 2023

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

INSURANCE ASSIGNMENT AGREEMENT

dated 1 June 2023

between ODFJELL DRILLING SHETLAND LIMITED
as Owner

and DEEP SEA DRILLING COMPANY AS
as Bareboat Charterer

and NORDIC TRUSTEE AS
as Security Agent (on behalf of the Secured Parties)

in respect of insurances relating to the rig "Deepsea Aberdeen"

I, Snorre Lyse
Lawyer, a lawyer qualified in Norway hereby
certify this to be a true and complete copy of the original.

Signed: 

Name: Snorre Lyse

Office Address: ^{Lawyer} Advokatfirmaet Schjødt AS
Tordenskiolds gate 12
Postboks 2444 Solli, 0201 OSLO

Date:

9 JUN 2023

CONTENTS

1.	DEFINITIONS, INTERPRETATION AND MISCELLANEOUS	3
2.	BAREBOAT CHARTERER'S ASSIGNMENT AND GRANT OF SECURITY	6
3.	OWNER'S ASSIGNMENT AND GRANT OF SECURITY	6
4.	PERFECTION OF SECURITY	6
5.	REPRESENTATIONS AND WARRANTIES	8
6.	UNDERTAKINGS	8
7.	ENFORCEMENT	9
8.	DEFERRAL OF RIGHTS.....	11
9.	LIMITATION ON LIABILITY	12
10.	CONTINUING SECURITY AND OTHER MATTERS	12
11.	MISCELLANEOUS.....	14
12.	GOVERNING LAW.....	15
13.	JURISDICTION	15
	Schedule 1 LIST OF INSURANCE POLICIES AND INSURERS	17
	Schedule 2 FORM OF NOTICE OF ASSIGNMENT OF INSURANCES	18
	Schedule 3 FORM OF ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT OF INSURANCES	20
	Schedule 4 FORM OF NOTICE ACCORDING TO THE PLAN	24
	Schedule 5 FORM OF ACKNOWLEDGEMENT ACCORDING TO THE PLAN	26

AGREEMENT

THIS INSURANCE ASSIGNMENT AGREEMENT (the "Agreement") has been entered into on 1 June 2023 between

- (1) **ODFJELL DRILLING SHETLAND LIMITED.**, incorporated in Scotland with company number SC368991, whose registered office is situated at Bergen House, Crawpeel Road, Altens, Aberdeen, AB12 3LG (the "Owner");
- (2) **DEEP SEA DRILLING COMPANY**, Norwegian registration no. 925 500 925, private limited liability company organized under the laws of Norway, with registered address Kokstadflaten 35, 5257 Kokstad, Norway ("the Bareboat Charterer" and together with the Owner the "Assignors" each an "Assignor"); and
- (3) **NORDIC TRUSTEE AS**, Norwegian registration no. 963 342 624, private limited liability company organized under the laws of Norway, acting through its office at Kronprinsesse Märthas plass 1, 0160 Oslo, Norway as security agent on behalf of the Secured Parties (the "Security Agent").

WHEREAS,

- (A) Reference is made to the bond terms dated 30 May 2023 with ISIN NO0012921172 (as amended, restated, supplemented or novated from time to time, the "Bond Terms"), entered into between Odfjell Rig III Ltd. as issuer (the "Issuer") and the Security Agent as bond trustee (the "Bond Trustee"), pursuant to which the Issuer has issued bonds in the initial amount of USD 390,000,000 subject to the terms and conditions set out therein.;
- (B) By a bareboat charterparty entered into between the Owner and the Bareboat Charterer (as charterer) dated 5 November 2020 (as amended from time to time), the rig named Deepsea Aberdeen (the "Rig") is chartered from the Owner to the Bareboat Charterer on the terms set out in the bareboat charterparty (hereinafter the "Bareboat Charterparty").
- (C) Under the terms of the Bond Terms, the Owner and the Bareboat Charterer, together with certain other Guarantors (as defined in the Bond Terms), have guaranteed all the liabilities of the Issuer under the Finance Documents (as defined in the Bond Terms).
- (D) This Agreement is entered into in order to provide continuing security for the Secured Obligations.
- (E) The execution by the Assignors of this Agreement is a condition under the Bond Terms.

IT IS AGREED as follows:

1. DEFINITIONS, INTERPRETATION AND MISCELLANEOUS

1.1 Definitions

In this Agreement, including the preamble hereto, defined terms shall have the meaning ascribed to them in the Bond Terms (unless otherwise set out herein or required by the context). Furthermore in this Agreement:

"Assignment of Insurances" means the security (in the form of an assignment) created, or purported to be created, by this Agreement over all claims which may arise under or in respect of the Insurances.

"Bareboat Security Assets" any amounts whatsoever which are now or later become payable (actually or contingently) to the Bareboat Charterer under or in connection with the Insurances.

"Earnings" means all moneys whatsoever which are now, or later become, payable (actually or contingently) to a Group Company and which arise out of the use of or operation of the Rig, including (but not limited to):

- (a) all freight, hire and passage moneys payable to an Obligor or a Rig Manager, including (without limitation) payments of any nature under any charter or agreement for the employment, use, possession, or operation of any of the Rig (other than management fees payable to any Rig Manager);
- (b) any claim under any guarantees related to freight and hire payable to an Obligor or a Rig Manager as a consequence of the operation of the Rig;
- (c) compensation payable to an Obligor or a Rig Manager in the event of any requisition of the Rig or for the use of the Rig by any government authority or other competent authority;
- (d) remuneration for salvage, towage and other services performed by the Rig payable to an Obligor or a Rig Manager;
- (e) demurrage, detention and retention money receivable by an Obligor or a Rig Manager in relation to any of the Rig;
- (f) all moneys which are at any time payable under the Insurances in respect of loss of earnings;
- (g) all present and future moneys and claims payable to an Obligor or a Rig Manager in respect of any breach or variation of any charterparty or contract of affreightment in respect of any of the Rig;
- (h) if and whenever the Rig is employed on terms whereby any moneys falling within paragraphs (i) to (vii) above are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Rigs; and
- (i) any other money whatsoever due or to become due to an Obligor or Rig Manager from third parties in relation to any of the Rig, or otherwise,

provided however that income related to service contracts which only fulfil a local requirement in certain jurisdictions and which generate immaterial net profits in the context of the Bond Issue shall not be included.

"Enforcement Act" means the Norwegian Enforcement Act of 26 June 1992 no. 86 (Nw. *Tvangsfullbyrdelsesloven*).

"Enforcement Event" means an Event of Default which is continuing and, in respect of which, the Bond Trustee, has served a Default Notice in accordance with Clause 16.2 (*Acceleration of the Bonds*) of the Bond Terms.

"Event of Default" means any of the events or circumstances specified in Clause 16.1 (*Events of Default*) of the Bond Terms.

"Final Discharge Date" means the first date on which the Security Agent determines that all of the Secured Obligations have been fully and finally discharged.

"Finance Documents" means the Bond Terms, the Bond Trustee Fee Agreement, any Transaction Security Document, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"Financial Collateral Act" means the Norwegian Financial Collateral Act of 26 March 2004 no. 17 (in Norwegian: "*lov om finansiell sikkerhetsstillelse*").

"Insurance Proceeds" means all monies whatsoever which are now, or later become payable (actually or contingently) to any Assignor under or in connection with the Insurances.

"Insurances" means all the insurance and re-insurance policies and contracts of insurance or re-insurance (including all entries in protection and indemnity or war risks associations) which are from time to time in place or taken out or entered into by or for the benefit of any Assignor (whether in the sole name of the relevant Assignor or in the joint names of any Assignor and any other person) in respect of the Rig or otherwise in connection with the Rig or its increased value or its Earnings and all benefits thereunder (including claims of whatsoever nature and return of premiums), including, without limitation, the Insurances set out in Schedule 1 (*List of Insurance Policies and Insurers*) and any renewal thereof.

"Insurers" means the parties listed in Schedule 1 (*List of Insurance Policies and Insurers*).

"Liens Act" means the Norwegian Liens Act 8 February 1980 no. 2 (Nw. "*Panteloven*").

"Obligor" has the meaning given to it in the Bond Terms.

"Owner" means Odfjell Drilling Shetland Limited.

"Plan" means the Nordic Marine Insurance Plan of 2013, latest version (as amended from time to time).

"Rig" means the harsh environment semi-submersible drilling rig named Deepsea Aberdeen documented in the name of the Owner under the laws and flag of Bermuda under IMO Number 9652234 / Official Number 740626 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether owned as at the date of this Deed or later acquired.

"Secured Obligations" means all present and future liabilities and obligations of the Obligors to any of the Secured Parties under the Finance Documents.

"Secured Parties" means the Security Agent and the Bond Trustee on behalf of themselves and the Bondholders.

"Security" means this Assignment of Insurances and any mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Asset" means any amounts whatsoever which are now or later become payable (actually or contingently) to the Owner under or in connection with the Insurances.

"Security Period" means the period commencing on the date of this Agreement and ending on the Final Discharge Date.

1.2 Construction

Clause 1.2 (Construction) of the Bond Terms shall apply *mutatis mutandis* to this Agreement.

2. BAREBOAT CHARTERER'S ASSIGNMENT AND GRANT OF SECURITY

As continuing security for the payment, discharge and performance of the Secured Obligations, the Bareboat Charterer hereby irrevocably and unconditionally pledges and assigns the Bareboat Security Assets to the Security Agent (acting on behalf of the Secured Parties).

Security created by this Agreement in respect of the Bareboat Security Assets shall be first ranking and not subordinated to any other assignment, pledge, encumbrance or security interest and shall, to the extent permitted by applicable law, include all rights which derive from the Bareboat Security Assets.

3. OWNER'S ASSIGNMENT AND GRANT OF SECURITY

As continuing security for the payment, discharge and performance of all the Secured Obligations, the Owner hereby irrevocably and unconditionally pledges and assigns the Security Assets together with any moneys payable in respect of the Security Assets as at the date of this Agreement or in the future.

Security created by this Agreement in respect of the Security Assets shall be first ranking and not subordinated to any other assignment, pledge, encumbrance or security interest and shall, to the extent permitted by applicable law, include all rights which derive from the Security Assets.

4. PERFECTION OF SECURITY

Each of the Assignors undertakes to:

- (a) promptly upon utilisation under the Bond Terms or upon any of the Owner or the Bareboat Charterer having obtained any new Insurances in respect of the Rig:
 - (i) in the event that the Insurances, or any of them, have been taken out on conditions other than the Plan, to give all the relevant Insurers or, if acceptable to the Security Agent, the broker and/or any lead insurer, a joint notice in the form of Schedule 2 hereto, and procure that said Insurer, broker and/or lead insurer promptly acknowledges receipt of such notice by having it endorsed, together with the loss payable clause, on each policy and issue an acknowledgment in the form of Schedule 3 hereto or its standard letter of undertaking in favour of the Security Agent in accordance with market practice; or

- (ii) in the event that the Insurances, or any of them, have been taken out according to the Plan, to give all the relevant Insurers or, if acceptable to the Security Agent, the broker and/or any lead insurer, notice in the form of Schedule 4 hereto, and procure that each insurer, broker or lead underwriter, if applicable, promptly acknowledges receipt of such notice by having it endorsed, together with the loss payable clause, on each policy and issue an acknowledgment in the form of Schedule 5 hereto or its standard letter of undertaking in favour of the Agent in accordance with market practice; and
- (b) if required to perfect the Assignment of Insurances in connection with any renewals and/or changes to the Insurances, promptly give notice of the assignment of insurances pursuant to this Agreement in the applicable form and procure that each addressee acknowledges the same in the applicable form or such other form of acknowledgment or letter of undertaking acceptable to the Security Agent,

Provided that for any Insurances for P&I and war cover, the requirement to obtain an acknowledgement from the Insurers shall be deemed to be satisfied upon the relevant Insurers providing a standard letter of undertaking or letter of confirmation to the Security Agent confirming that the notice has been received and agreed to by each Insurer.

4.1 Future Insurances

The Assignors shall assign to the Security Agent (on behalf of the Secured Parties), as first ranking security, over the monetary claims under any Insurances granted after the date of this Agreement, no later than the date of such Insurances are established by following the procedure set out in Clause 3 (*Perfection of Security*), with a declaration of assignment to be set out in such notice.

4.2 Loss payable

- (a) Any Insurance Proceeds in respect of a claim under the Insurances resulting from an actual, constructive, agreed, arranged or compromised total loss or requisition for title or other compulsory acquisition of the Rig and claims payable in respect of a major casualty exceeding USD 20,000,000 shall be payable to the Security Agent.
- (b) Subject to paragraph (a) above, until the occurrence of an Event of Default which is continuing in which event all Insurance Proceeds shall be paid directly to the Security Agent up to the amount of the Secured Obligations, all other claims will be released directly for the repair, salvage or other charges involved or to the Assignors as reimbursement if it has fully repaired the damage and paid all salvage and other charges or otherwise in respect of the Assignors' actual costs in connection with repair, salvage or other charges.

4.3 Payments

Each of the Assignors shall procure that all Insurance Proceeds in respect of a claim under the Insurances which are payable to each of the Assignors are paid to a bank account which is pledged in favour of the Security Agent as security for the Secured Obligations, provided that upon the occurrence of an Event of Default which is continuing, all such proceeds shall be paid as the Security Agent may instruct from time to time.

5. REPRESENTATIONS AND WARRANTIES

(a) Each of the Assignors represents and warrants to the Security Agent (on behalf of the Secured Parties) that, as at the date of this Agreement:

- (i) it is duly incorporated and validly existing under the laws of Scotland and Norway (as applicable) as a private limited liability company, and has the power to own its assets and carry on its business as it is being conducted;
- (ii) the entry into and performance by it, and the transactions contemplated by, this Agreement do not and will not conflict with:
 - (A) any law, statute, rule or regulation applicable to it, or any order, judgment, decree or permit to which it is subject (including Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing);
 - (B) its constitutional documents; or
 - (C) any agreement or instrument binding upon it or any of its assets;
- (iii) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Agreement and the transactions contemplated thereby;
- (iv) all necessary corporate, shareholder and other action have been taken by it to approve and authorize the execution of this Agreement, the compliance with the provisions thereof and the performance of its obligations thereunder;
- (v) this Agreement creates:
 - (A) a legal, valid, perfected and enforceable first priority pledge and assignment over the Security Assets and the Bareboat Security Assets, as applicable; and
 - (B) legal, valid and binding obligations of each Assignor enforceable in accordance with its terms;
- (vi) the Security Assets and the Bareboat Security Assets are freely transferable; and
- (vii) it is the sole legal, beneficial and registered owner and holder, and has full and unrestricted ownership, of the Security Assets and the Bareboat Security Assets (respectively), as applicable, and no other pledge, charge (fixed or floating), mortgage, encumbrance, lien or other type of Security is in existence over the Security Assets or the Bareboat Security Assets or any part thereof.

6. UNDERTAKINGS

6.1 Negative undertakings

(a) Each Assignor shall not:

- (i) create or permit to subsist any security over any of the Security Assets or the Bareboat Security Assets (as applicable);
 - (ii) assign, sell, transfer or otherwise dispose of the Security Assets or the Bareboat Security Assets (as applicable); and
 - (iii) do, cause or permit to be done anything which will, or could reasonably be expected to, materially adversely affect the Assignment of Insurances or the rights of the Secured Parties under this Agreement.
- (b) Paragraph (a) above does not apply to:
- (i) the security over the Security Assets and the Bareboat Security Assets, as applicable created, or purported to be created, under this Agreement; or
 - (ii) any such action to the extent expressly permitted under the terms of the Finance Documents.

6.2 Positive undertakings

Each Assignor shall:

- (a) comply with (and shall procure the compliance with) each of the rig undertakings set out in clause 15.7 (*Insurance of the Collateral Rigs*) of the Bond Terms with respect to the Rig and the Insurances.
- (b) at its own expense, upon reasonable request of the Security Agent, do all such acts and execute all such documents as the Security Agent considers necessary for giving full effect to this Agreement and the Security created or purported to be created, under this Agreement and securing to the Security Agent and the Secured Parties the full benefit of the rights, powers and remedies conferred upon the Security Agent and the Secured Parties in this Agreement;
- (c) promptly inform the Security Agent in writing of any new Security Assets or Bareboat Security Assets taken out, acquired or otherwise obtained by it, and simultaneously with the taking out, acquisition or otherwise (as applicable) of such Security Asset and Bareboat Security Assets, ensure that a first ranking Security in favour of the Security Agent is created over such Security Asset(s) and/or as the case may be the Bareboat Security Assets in accordance with the terms of this Agreement; and
- (d) inform the Security Agent of anything which will, or could reasonably be expected to, materially adversely affect the Security created or purported to be created, under this Agreement and/or the rights of the Secured Parties under this Agreement,

in each case, without prejudice to any other provision of this Agreement and/or the terms of the Finance Documents.

7. ENFORCEMENT

7.1 Enforceability

Upon an Enforcement Event, the Security Agent may (without further notice or delay and without consulting with the Assignors or either of them) require that the Security constituted by this Agreement shall immediately become enforceable for all purposes, and the Security Agent

shall thereafter (subject only to any of the express restrictions or conditions contained in the Bond Terms and in such manner as permitted by the Enforcement Act, the Liens Act and the Financial Collateral Act, or in any of the following provisions of this Clause 7 (*Enforcement*) be entitled then or at any later time or times to exercise the powers set out in this Clause 7 (*Enforcement*) and in the Bond Terms.

All costs and expenses (including, but not limited to, legal fees) incurred by the Security Agent and the Secured Parties in connection with the enforcement of the security and the Security Agent's rights under this Agreement shall be included in the Secured Obligations.

7.2 Security Agent's rights

If the Security constituted by this Agreement has become enforceable, the Security Agent shall be entitled then or at any later time or times:

- (a) to exercise the powers possessed by it as Security Agent of the Security Assets and the Bareboat Security Assets conferred by the law;
- (b) to sell, mortgage, exchange, invest or in any other way deal with the Security Assets and the Bareboat Security Assets (if applicable) in any manner and for any consideration (including shares, notes or other securities);
- (c) to take over or commence or defend (if necessary using the name of the relevant Assignor) any claims or legal or arbitration proceedings relating to, or affecting, the Security Assets and the Bareboat Security Assets which the Security Agent may think fit and to abandon, release or settle in any way any such claims or proceedings; and
- (d) generally, to enter into any transaction or arrangement of any kind and to do anything in relation to the Security Assets and the Bareboat Security Assets which the Security Agent may think fit.

7.3 No liability of the Security Agent

The Security Agent shall not be obliged to check the nature or sufficiency of any payment received by it under this Agreement or to preserve, exercise or enforce any right forming part of, or relating to, the Security Assets or the Bareboat Security Assets.

7.4 Suspense account

The Security Agent may, for the purpose of claiming or proving in a bankruptcy of each of the Owner and the Bareboat Charterer, place any sum received or recovered under or by virtue of this Agreement or any security connected with it on a separate suspense or other nominal account without applying it in satisfaction of the Finance Documents.

7.5 Enforcement Act

Without prejudice to the other provisions in this Clause 7 (*Enforcement*), the Security Agent shall always and at any time be entitled to enforce the Security in accordance with the statutory procedures of enforcement set out in the Enforcement Act and otherwise as permitted by the Liens Act, if an Enforcement Event has occurred.

7.6 Application of proceeds

Amounts recovered in accordance with the provisions in this Clause 7 (*Enforcement*) shall be applied in accordance with the provisions of the Bond Terms.

7.7 Miscellaneous

- (a) The Security Agent shall not be bound by its election to enforce the Security created under this Agreement in a specific manner and the parties hereby agree that the Security Agent shall be free to enforce the Security by any of the alternative methods in this Clause 7 (*Enforcement*) (or a combination thereof), regardless of whether another procedure has first been initiated.
- (b) The Security Agent shall be under no obligation to postpone an enforcement in order to achieve a higher consideration for the Security Assets or the Bareboat Security Assets.
- (c) Upon an Event of Default which is continuing, the Secured Parties shall be free to disclose such information, to such investors (or group of investors), as they may deem necessary in order to facilitate an enforcement of the Security created under this Agreement, provided that the Security Agent shall use its best efforts to ensure that information, if considered confidential information, remains confidential.

7.8 Further assurance and power of attorney

- (a) The Assignors shall promptly do all such acts and/or execute all such documents (including, without limitation, transfer documents, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to facilitate the realisation and/or enforcement of the Security created under this Agreement in accordance with the terms of this Agreement.
- (b) The Assignors hereby, to the degree permitted under Norwegian law, irrevocably appoint the Security Agent as its attorney in fact, with full power of substitution, to do any and all acts which that each of the Assignors is obliged to do, but that each of the Assignors have failed to do, under or in connection with this Agreement (including, without limitation, to sign any transfer document, notice and/or instruction on that each Assignors' behalf).

8. DEFERRAL OF RIGHTS

- (a) During the Security Period, the Assignors shall not, without the prior written consent of the Security Agent (on behalf of the Secured Parties), exercise any rights which either of them may have by reason of performance by them (or either of them) of any of their respective obligations under the Finance Documents:
 - (i) to be indemnified by any other Obligor;
 - (ii) to claim any contribution from any other security provider of any of the Secured Obligations;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Secured Obligations, or of any other guarantee or security taken pursuant to, or in connection with, the Secured Obligations by the Secured Parties;
 - (iv) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of the Secured Obligations;
 - (v) to exercise any right of set-off against an Obligor; and/or

- (vi) to claim or prove as a creditor of an Obligor in competition with the Security Agent.
- (b) If an Assignor receives any payment or distribution in relation to the rights described in paragraph (a) above, it shall, to the extent necessary to enable all of the Secured Obligations to be finally and fully satisfied, hold that amount separated from its other assets and promptly pay or distribute an amount equal to that receipt or recovery to the Security Agent for application in accordance with the terms of this Agreement.

9. LIMITATION ON LIABILITY

- (a) Neither the Security Agent nor any other Secured Party shall be liable for any loss, liability or expense arising from or in connection with:
 - (i) it exercising in good faith any of its rights or powers under or in connection with this Agreement;
 - (ii) any act, default, omission or misconduct on the part of any delegate or representative acting in good faith on behalf of it; or
 - (iii) the timing of the exercise in good faith of any of its (or any of its delegates or representatives) powers or rights under or in connection with this Agreement.
- (b) In no case shall the Security Agent nor any Secured Party be liable or held responsible for any indirect damage, consequential loss or loss of profit.
- (c) A Secured Party shall not be held responsible for any damage arising out of any Norwegian or foreign legal enactment, or any measure undertaken by a Norwegian or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if a Secured Party takes such measures, or is subject to such measures.

10. CONTINUING SECURITY AND OTHER MATTERS

- (a) The Security created under this Agreement shall be held by the Security Agent on behalf of the Secured Parties as continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.
- (b) The Security created under this Agreement shall be in addition to, and not prejudice or affect, any other Security or guarantee granted in respect of the Secured Obligations. Each Assignor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before enforcing the Security created under this Agreement.
- (c) All the rights, remedies and powers vested in the Security Agent under this Agreement shall be in addition to and not a limitation on rights, powers or remedies vested in the Security Agent under the terms of the Finance Documents and any applicable law or regulation.
- (d) The obligations of each of the Assignors under this Agreement and will not be affected by an act, omission, matter or thing which would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to it, the Security Agent) including:

- (i) any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - (ii) the release of an Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, an Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - (v) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of the terms of the Finance Documents or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or bond issue or the addition of any new facility or bond issue under the Finance Documents or other document or security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under the terms of the Finance Documents or any other document or security; or
 - (vii) any insolvency or similar proceedings.
- (e) Each of the Assignors waives any right that it would otherwise have to be notified of:
- (i) any Security the giving of which was a precondition for the making of any utilisation under the Finance Documents, but which has not been validly granted or has lapsed;
 - (ii) any default, event of default or acceleration event (however described) under the terms of the Finance Documents and to be kept informed thereof;
 - (iii) any deferral, postponement or other forms of extensions granted to any Obligor or any other member of the Group in respect of any repayments, prepayments or payment to be made under the terms of the Finance Documents; and
 - (iv) an Obligor's or any other person's bankruptcy proceedings or debt reorganisation proceedings and/or any application for the latter.
- (f) To the extent the liability created by this Agreement is considered security for the obligations of third parties, such liability shall be limited to USD 487,500,000 plus any unpaid amount of interest, fees, costs and expenses under the Finance Documents plus the amount of any interest, default interest, costs and expenses related to the liabilities of the Assignors hereunder.

- (g) Notwithstanding anything to the contrary provided in this Agreement, the parties agree that the Security provided hereunder or any other obligations (whether in the form of a guarantee, indemnity, payment and/or set-offs) of the Assignors towards the Security Agent shall not extend to any obligation which would otherwise be illegal or voidable financial assistance according to sections 8-7 and 8-10 of the Norwegian Companies Act of 13 June 1997 no. 45 (the "**Norwegian Companies Act**"), it being understood that such guarantee and security shall apply to the fullest extent permitted by those provisions of the Norwegian Companies Act.
- (h) Each Assignor hereby waives all its rights under the provisions of the Norwegian Financial Agreements Act of 18 December 2020 no. 146 (not being mandatory provisions), including (without limitation) the rights set out in Sections 6-1 to 6-14 of that act.

11. MISCELLANEOUS

11.1 Notices and addresses

Clause 20.3 (*Notices, contact information*) of the Bond Terms shall apply *mutatis mutandis* to this Agreement.

11.2 Assignment

- (a) This Agreement shall be binding upon each Assignor and their successors and shall enure for the benefit of the Security Agent and the other Secured Parties and any of their transferees and successors in title.
- (b) None of the Assignors may assign or transfer any of their rights or obligations under this Agreement.
- (c) The Security Agent may assign and/or transfer any of its rights or obligations under this Agreement in accordance with the terms of the Finance Documents. Each Assignor shall, immediately upon request by the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

11.3 Partial invalidity

If any provision of this Agreement is for any reason held invalid, illegal or unenforceable in any respect, such illegality, invalidity or unenforceability will not affect any other provision of this Agreement.

11.4 Remedies and waivers

No failure or delay by the Security Agent in exercising any right, power or remedy vested in it under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.

11.5 Release of security

- (a) If the Security Period has expired, the Security Agent shall, at the request and cost of the each of the Assignors, release the Assignment of Insurances as soon as practically possible.
- (b) Any release pursuant to paragraph (a) above shall be conditional upon no security disposition or payment to the Security Agent (or any other Secured Parties) by an

Obligor or any other security provider being subject to clawback, void or set aside. If any security disposition or payment is clawed back, void or set aside, the Security Agent (or any other Secured Parties) shall be entitled to enforce the Assignment of Insurances as if such release had not occurred.

11.6 Conflict

In the case of a conflict between any term of the Bond Terms and any term of this Agreement, the Bond Terms shall prevail.

12. GOVERNING LAW

This Agreement is governed by Norwegian law.

13. JURISDICTION

- (a) The courts of Norway, with the Oslo District Court (Nw. *Oslo tingrett*) as the court of first instance, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement (a "Dispute").
- (b) This Clause 13 (*Jurisdiction*) is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SIGNATURES

The Owner
**ODFJELL DRILLING SHETLAND
LIMITED**

Signature:

[Redacted Signature]

Name:

Madeleine L. Finstad

Title:

Attorney-in-fact

Place, date:

OSLO, _____ 2023

The Security Agent
NORDIC TRUSTEE AS

Signature:

.....

Name:

Title:

Place, date:

The Bareboat Charterer
**DEEP SEA DRILLING COMPANY
AS**

Signature:

[Redacted Signature]

Name:

Madeleine L. Finstad

Title:

Attorney-in-fact

Place, date:

OSLO, _____ 2023

SIGNATURES

The Owner
**ODFJELL DRILLING SHETLAND
LIMITED**

Signature:
Name:
Title:
Place, date:

The Security Agent
NORDIC TRUSTEE AS

Signature:

Name:

Title:

Place, date:

Lars Erik Lærum

Authorised signatory

The Bareboat Charterer
**DEEP SEA DRILLING COMPANY
AS**

Signature:
Name:
Title:
Place, date:

Schedule 1
LIST OF INSURANCE POLICIES AND INSURERS

Cover Notes/ Policy No.	Type of insurance	Name of insurer
██████████	War Risk Insurance	Den Norske Krigsforsikring for Skib Gjensidig Forening / The Norwegian Shipowners Mutual War Risks Insurance Association
██████████	Mobile Offshore Unit Package Insurance i) Hull and Machinery ii) Hull interest iii) Freight interest iv) Loss of Hire v) CAR projects Mobile Offshore Wind Units	Marsh AS
Contract No. ██████████ (NHC Terms) Contract Number: ██████████ (Zurich Terms)	Energy Offshore Package Insurance (NHC Terms) (Zurich Terms)	Marsh AS
██████████	Umbrella / Excess Liability Insurance	Marsh AS
██████████	P&I risks	The Standard Club Ireland DAC

Schedule 2

FORM OF NOTICE OF ASSIGNMENT OF INSURANCES

Copy: Nordic Trustee AS

Date: _____

NOTICE OF ASSIGNMENT OF INSURANCES

(For attachment by way of endorsement to all policies, contracts and cover notes)

Please, take notice:

1. that by an "Insurance Assignment Agreement" dated ___ June 2023 between Odffell Drilling Shetland Limited (the "Owner"), Deep Sea Drilling Company AS (the "Bareboat Charterer") and Nordic Trustee AS (the "Security Agent"), each of the Owner and the Bareboat Charterer has irrevocably assigned to the Security Agent, as agent for and on behalf of itself and certain secured parties, with first priority as security for certain secured obligations, any and all claims of:
 - (i) the Bareboat Charterer; and
 - (ii) the Owner,for all payments and all monetary claims under all insurance policies and contracts of insurance in respect of the rig Deepsea Aberdeen having IMO number 9652234 / Official Number 740626 (the "Rig").
2. Upon receipt of a notice from the Security Agent, any money due on the Insurances shall be paid to or as instructed by the Security Agent. You are hereby authorised and instructed to pay all moneys due to ourselves in respect of the Insurances directly to ourselves on bank account no. [REDACTED] with IBAN [REDACTED] and BIC [REDACTED] held with DNB Bank ASA, subject to the terms of the loss payable clause attached hereto as Annex A.
3. The authority and instructions herein contained cannot be revoked or varied by us without the written consent of the Security Agent.
4. Please acknowledge your receipt of this notice (and the annex hereto) and your agreement hereto by returning the attached "Acknowledgment" directly to the Security Agent with a copy to us the form attached hereto.
5. This notice and the acknowledgment issued in connection herewith shall form an integral part of the Insurance Assignment Agreement and the Insurance Assignment Agreement shall be deemed to be amended to incorporate the pledge of additional Insurances.
6. This notice is subject to Norwegian law.

For and on behalf of
Odfjell Drilling Shetland Limited

By: _____
Name:
Title:

For and on behalf of
Deep Sea Drilling Company AS

By: _____
Name:
Title:

Schedule 3

FORM OF ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT OF INSURANCES

To: Nordic Trustee AS

Copy: Odfjell Drilling Shetland Limited and Deep Sea Drilling Company AS

Date:

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT OF INSURANCES

We hereby acknowledge receipt of a notice of assignment of insurances dated ____ June 2023 from Odfjell Drilling Shetland Limited ("Owner") and Deep Sea Drilling Company AS ("Bareboat Charterer" and together with the Owner the "Assignors") (the "Notice"). Capitalised words and expressions defined in the Notice have the same meaning when used herein.

We confirm that we have effected insurances (the "Insurances") for the account of the Assignors in respect of the rig Deepsea Aberdeen (the "Rig").

As insurers in connection with the Insurances covered by this letter, we hereby undertake/confirm:

1. to hold the insurance slips or contracts, the policies relating to the Insurances when issued, and any renewals of such policies or new policies or any policies substituted (with your consent) therefore and the benefit of the Insurances thereunder to your order in accordance with the terms of the Loss Payable Clause(s) set out in Appendix A attached;
2. to arrange for the said Loss Payable Clause(s) to be included in the policies when issued;
3. to have endorsed on each and every policy as and when the same is issued a Notice of Assignment in the form of Appendix B hereto, dated and signed by the Assignors and acknowledged by Underwriters in accordance with market practice;
4. to advise you immediately of any material changes which are proposed to be made in the terms of the Insurances or if we cease to be any of the Assignors' insurers for all purposes connected with the aforesaid Insurances;
5. to advise you not later than fourteen days prior to the expiry of any of the Insurances aforesaid and any renewals thereof, if instructions have not been received for such renewal or further renewal as aforesaid and in the event of our receiving instructions to renew or further to renew as aforesaid, to advise you promptly of the details thereof;
6. to advise you immediately of any act or omission or of any event of which we have knowledge and which might invalidate or render unenforceable or terminate in whole or in part any of the policies before taking any action; and
7. to pay all amounts we may become liable to pay to any of the Assignors to the following account: [REDACTED] with IBAN [REDACTED] and BIC [REDACTED] with DNB Bank ASA or to such other account as we may be instructed to by you.

Our above undertakings are given subject to our lien on the policies for premiums (as specified below) and subject to our right of cancellation on default in payment of such premiums, but we undertake to advise you immediately if any premiums are not paid to us by the due date and not exercise such rights

of cancellation without giving you ten days' notice in writing, either by letter or e-mail, and a reasonable opportunity of paying any premiums outstanding.

In addition to the other undertakings contained in this letter, we also undertake that our lien on the fleet policies (if any) for premiums shall be confined to the outstanding premiums due on the Rig only.

We further undertake that we shall neither set off any claims in respect of the Rig any premiums due in respect of other vessels under the fleet cover or any premiums due for other insurances, nor cancel the insurance for reason of non-payment of premiums for other vessels under the fleet cover or of premiums for such other insurances and will, if you so require, issue a separate policy in respect of the Rig.

Notwithstanding the terms of the said Loss Payable Clause (attached hereto as Appendix A) and the said Notice of Assignment (attached hereto as Appendix B), we shall be empowered and free to arrange for payments in discharge of any guarantee issued in favour of third parties and further to make payments directly to a third party in discharge of a claim against the assureds and/or the insurer.

For and on behalf of

By: _____
Name: _____
Title: _____

Encl.: Appendix A
Appendix B

APPENDIX A
FORM OF LOSS PAYABLE CLAUSE

- (a) All payments in respect of a claim under the insurances in the following circumstances shall be paid to Nordic Trustee AS or its assignees (the "Security Agent") without any deduction:
- (i) all claims relating to an actual, constructive, compromised, agreed, arranged or other total loss of the rig or requisition for title or other compulsory acquisition of the rig; and
 - (ii) all claims in respect of a major casualty (i.e., claims exceeding USD 20,000,000),
- so that any other payments in respect of a claim may be paid directly to the owner unless and until the Security Agent otherwise instructs, whereupon all proceeds under the insurances shall be paid directly to the Security Agent (or as the Security Agent may instruct). The owner shall ensure that any proceeds paid directly to it shall be applied for payment or reimbursement of repairs carried out following the relevant occurrence and be paid to a pledged account.
- (b) Unless the Security Agent otherwise instructs:
- (i) claims for liability to a third party falling on the insurer can be settled by the insurers directly with such third party; and
 - (ii) the insurers shall be empowered to arrange for guarantees to be given (i) in respect of any third party claim covered under the provisions of the collision and/or salvage clauses in the policy on Hull & Machinery and (ii) in respect of repair costs covered under the policy on Hull & Machinery to repairers/repaid yard.

When a guarantee has been given as aforesaid and the relevant guarantor has paid a sum under such guarantee, a sum equal to the sum so paid shall, however always subject to this paragraph, be payable out of the proceeds of the said policy directly to the relevant guarantor.

APPENDIX B
FORM OF NOTICE OF ASSIGNMENT OF INSURANCES
(For attachment by way of endorsement to the Policy)

Odfjell Drilling Shetland Limited (the "**Owner**") the owner of Deepsea Aberdeen (the "**Rig**") and Deep Sea Drilling Company AS (the "**Bareboat Charterer**") (bareboat charterer of the Rig), HEREBY GIVE NOTICE that:

- (a) by an insurance assignment agreement (the "**Insurance Assignment Agreement**") dated ____ June 2023 between the Owner, the Bareboat Charterer and Nordic Trustee AS (the "**Security Agent**"), each of the Owner and the Bareboat Charterer has irrevocably assigned to the Security Agent (on behalf of the Secured Parties (as defined in the Insurance Assignment Agreement)), on first priority, any and all claims of:
- (i) the Bareboat Charterer; and
 - (ii) the Owner,
- for payments under insurance policies in respect of the Rig.
- (b) the Security Agent is also the first priority mortgagee of the Rig, including the insurances constituted by the Policy whereon this notice is endorsed.

For and on behalf of
Odfjell Drilling Shetland Limited.

By: _____
Name:
Title:

For and on behalf of
Deep Sea Drilling Company AS

By: _____
Name:
Title:

Schedule 4

FORM OF NOTICE ACCORDING TO THE PLAN

Copy: Nordic Trustee AS

Date:

NOTICE OF ASSIGNMENT OF INSURANCES

Please, take notice:

(a) that by a "Insurance Assignment Agreement" dated ____ June 2023 between Odffell Drilling Shetland Limited (the "Owner"), Deep Sea Drilling Company AS (the "Bareboat Charterer") and Nordic Trustee AS (the "Security Agent"), each of the Owner and the Bareboat Charterer has irrevocably assigned to the Security Agent, as agent for and on behalf of itself and certain secured parties, on first priority as security for certain secured obligations, any and all claims of:

(iii) the Bareboat Charterer; and

(iv) the Owner,

for all payments and all monetary claims under all insurance policies and contracts of insurance in respect of the rig Deepsea Aberdeen having IMO number 9652234 / Official Number 740626 (the "Rig").

(b) you are irrevocably authorised and instructed to procure that the Security Agent is noted as first priority mortgagee in accordance with chapter 7 of the Nordic Marine Insurance Plan, as amended from time to time;

(c) all payments to be made to any of us (i) in excess of USD 20,000,000 (or the equivalent in any other currency) and/or (ii) following a notice from the Security Agent advising you that an Enforcement Event has occurred and is continuing under the Bond Terms (as defined in the Insurance Assignment Agreement), shall be paid directly to the Security Agent or as otherwise instructed by the Security Agent;

(d) the authorisation and instruction herein cannot be varied by us without the prior written consent of the Security Agent;

(e) This notice is subject to Norwegian law.

You are kindly requested to confirm your understanding of the above by having the attached acknowledgment signed and returned to the Security Agent.

For and on behalf of
Odfjell Drilling Shetland Limited.

By: _____
Name:
Title:

For and on behalf of
Deep Sea Drilling Company AS

By: _____
Name:
Title:

Schedule 5

FORM OF ACKNOWLEDGEMENT ACCORDING TO THE PLAN

To: Nordic Trustee AS

Copy: Odfjell Drilling Shetland Limited & Deep Sea Drilling Company AS

Date:

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT OF INSURANCES

We hereby acknowledge receipt of a notice of assignment of insurances dated ____ June 2023 from Odfjell Drilling Shetland Limited ("Owner") and Deep Sea Drilling Company AS ("Bareboat Charterer" and together with the Owner the "Assignors") (the "Notice"). Capitalised words and expressions defined in the Notice have the same meaning when used herein.

We confirm that we have effected insurances for the account of the Assignors in respect of the rig Deepsea Aberdeen (the "Rig") (the "Policy" or "Policies", as applicable).

As Insurers in connection with the insurances covered by this letter, we hereby undertake/confirm:

1. with respect to each and every Policy, that the Security Agent shall be first priority mortgagee with the protection provided for in chapter 7 of the Nordic Marine Insurance Plan of 2013, latest version (as amended from time to time);
2. to pay any and all amounts we may become liable to pay to any of the Assignors under the insurances set out in the Policies, in accordance with paragraph (d) of the Notice of Assignment; and
3. notwithstanding the terms of the loss payable clause and the Notice of Assignment, we shall be empowered and free to arrange for payments in discharge of any guarantee issued in favour of third parties and further to make payments directly to a third party in discharge of a claim against the assureds and/or the insurer.

For and on behalf of

By: _____
Name:
Title:

Encl.: Appendix A
Appendix B

